

Annual report 1980

**FINANCIAL
HIGHLIGHTS**

(in thousands of dollars, except per share data)

	1980	1979
Sales	\$ 117,111	\$ 98,547
Net Earnings Before an Extraordinary Item of \$1,050 in 1980	3,012	2,080
Net Earnings	4,062	2,080
Funds Generated from Operations	5,839	5,102
Capital Expenditures	2,999	443
Depreciation	2,216	1,990
Working Capital	14,470	10,670
Property, Plant & Equipment (Net)	17,811	17,028
Long Term Debt	6,669	6,580
Shareholders' Equity	24,676	20,793
Per Share of Common Stock:		
Net Earnings Before Extraordinary Item	7.58	5.24
Net Earnings	10.23	5.24
Dividends	0.45	—
Book Value	62.13	52.37
Employees	3,105	2,934

SALES DOLLAR BREAKDOWN
(thousands of dollars)

Dividends \$179	.1%
Extraordinary Item \$1,050	1.0%
Income Taxes \$1,681	1.4%
Depreciation \$2,216	1.9%
Earnings Reinvested in the Business \$3,833	3.3%
Interest \$5,301	4.5%
Expenses, Supplies & Other \$17,452	14.9%
Salaries, Wages & Employee Benefits \$37,794	32.3%
Raw Materials \$47,605	40.6%

REPORT TO THE SHAREHOLDERS

Net earnings for the year 1980 (before an extraordinary item of \$1,050,000) were \$3,012,000, an increase of 44.8% over the earnings reported for 1979.

Net earnings after the extraordinary item, a realized income tax benefit relating to the discontinuance of operations of Wabasso (Europe) B.V., were \$4,062,000.

Net earnings per common share were \$7.58 before the extraordinary item and \$10.23 after the item, compared with \$5.24 per share for the prior year.

Record sales of \$117,111,000 were achieved in 1980 representing an increase of 18.8% over sales of \$98,547,000 reported in 1979.

The record improvement for the year reflected a continued strong consumer acceptance of the Corporation's product lines as well as an effective cost reduction program.

Capital programs instituted or committed in 1980 will amount to approximately \$10,000,000 in fixed and working capital. The expansion programs include the installation of 50 new denim looms in the Welland mill, new sheeting looms in Trois-Rivières and an increase in yarn production capacity at Shawinigan. The Welland expansion is now in operation and the programs in Trois-Rivières and Shawinigan are expected to be on stream during the third quarter of 1981.

These capital expenditures are being financed through term loans which have been negotiated with our bankers for that purpose.

The Textile and Clothing Board conducted a major enquiry into the textile industry which was completed in the spring of 1980. The report



Warp yarns are strengthened by the addition of starch prior to weaving.



Yarn processing at Shawinigan.



Modern rapier looms weaving denim fabrics at Welland.

containing its recommendations was issued to the Federal Government and made public in June 1980.

The Canadian textile industry has endorsed the Textile and Clothing Board's recommendations, the most important of which is the continuation of the bilateral agreements with a number of trading nations for a period of nine years. These agreements are due to expire in December 1981. This will allow the industry to make decisions with respect to capital investments without the fear of the disruptive effect of increased imports in the market.

The Corporation has explained its position to all of its employees and along with other member companies in the industry, has made representations to cabinet ministers and members of parliament as well as to representatives of provincial and municipal governments.

In August 1980, Woods Bag & Canvas Co. Ltd., a subsidiary company, closed its Thunder Bay, Ontario facilities where it employed 30 people. The plant had been operating at levels below capacity for several years.

There were substantial price increases throughout the year for many of the Corporation's raw materials. The most significant increases were for raw cotton, the prices of which were affected by adverse weather conditions in some of the cotton growing areas in the United States. We are concerned over the ability of the Corporation to reflect these cost increases as well as the effect of high interest rates in the prices for its products in a currently weak economy. The Corporation's cotton buying subsidiary, Francis & Company, Inc. in Memphis, Tennessee is in close touch with the cotton situation and with the changing trends in price and supply.

Although it is too early in the year to predict a continuation of the record-setting financial performance, we believe that 1981 will be a good year for the Corporation. We are now consolidating our improvements and intend to maintain our growth trend through investment programs now under way.

Mr. D.C. Lowe, President, Pratt and Whitney Commercial Products Division, East Hartford, Connecticut, U.S.A. and Mr. Jacques Tétrault, Q.C., partner in Courtois, Clarkson, Parsons & Tétrault were elected to the Board of Directors in April 1980.

Mr. J.H. Birkett joined the Corporation in April and was appointed Vice-President, Administration and Secretary. Also in April, Mr. W.R. Sewell, formerly Merchandising Manager, was appointed Vice-President, Merchandising. Mr. J.E. Smith was appointed Vice-President, Finance and continues as President of Woods Bag & Canvas Co. Ltd., a subsidiary of the Corporation.

In December, Mr. Patrick M. Joussaume was appointed Vice-President and General Manager of Woods Bag & Canvas Co. Ltd.

The Board of Directors wishes to extend its sincere appreciation to all employees for their dedication and co-operation over the past year which contributed in a very major way to the year's record results.

The drastic variations of the Corporation's performance over the past ten years are behind us and in this new decade, we look forward to the stable growth of Wabasso with optimism.

H. Roy Crabtree
Chairman of the Board and President

March 27, 1981

WABASSO PRODUCT STORY

Consumer Textiles

Wabasso is recognized as a leader in the home fashion industry. Next to quality, fashion is the key word as consumers are attracted by colour and design. Wabasso has always been fully committed to the researching of styling trends — the world over. Our aim is to make our products as attractive as possible to our consumers. Whilst we stress “fashionability”, we never lose sight of the traditional tastes of our customers and hence we provide a full range of quality products that contain something for every Canadian consumer’s taste and budget.

Bedding

A complete product line of bed sheets, pillow slips and auxiliary bedding items such as pillow shams and valances are styled and sewn in our Trois-Rivières mill, part of the St. Maurice Group where we employ 1,600 people. Comforters are manufactured from Trois-Rivières fabrics in the Toronto Plant of our subsidiary, Woods Bag & Canvas and distributed from there across Canada.

The fashionably styled bedding articles are found by our customers in leading retail outlets across Canada. Wabasso is also well represented in the export markets with exclusive brand distribution in both the United Kingdom and New Zealand.

Towels

Towels are an integral part of everyone’s life and home. Wabasso is a leading manufacturer of fashionably styled towels.

To meet the varied needs of Canadian consumers, Wabasso offers a complete family of towels, ranging from an economically priced range to a highly styled fashion range. Our products include bath sheets, bath towels, hand towels, finger tip towels, bath mats and face cloths. Wabasso towels provide a beautiful array of colour in plain shades complimented by prints and yarn dyed woven jacquards to complete the fashion story.

Wabasso’s products are found by our customers in leading retail outlets across Canada. Wabasso is represented in the export markets with exclusive brand distribution in both Australia and New Zealand.

Wabasso’s towelling products are manufactured in our Dunnville, Ontario mill, part of the Niagara Group where we employ 1,170 people.

Institutional Textiles

There is another very significant portion of the Canadian market to which Wabasso is a major supplier. It is the institutional market — hospitals, hotels, governments, etc.

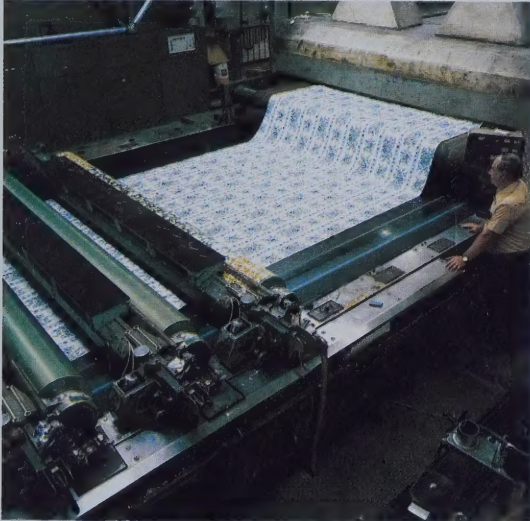
We supply durable quality sheets, pillow slips and sheeting in 100% cotton and in 50% polyester/50% cotton blends. Towels are supplied in 100% cotton and cotton/polyester blends.

Our products have to be particularly rugged to withstand hard wear and frequent laundering. Wabasso makes these items in a variety of sizes and weights at its mills located in Trois-Rivières, and in Dunnville.

Trained eyes at a greige inspection table in the Trois-Rivières mill ensure the quality of fabrics for processing.

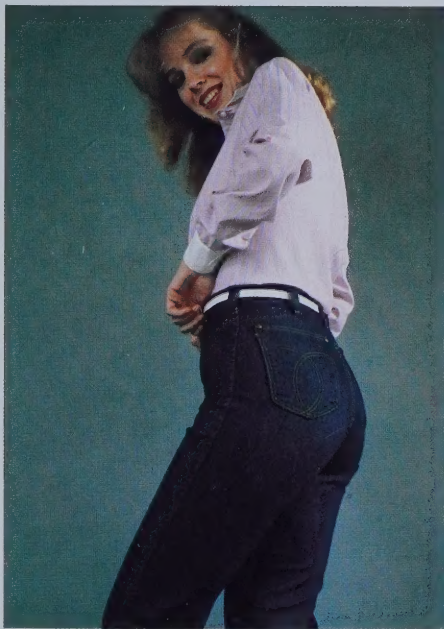


Bed sheet designs come to life on a rotary screen printer in our Trois-Rivières mill.



Yarn processing at Shawinigan

Blue jeans — the attractive end product of Wabasso indigo denims woven in plants at Trois-Rivières, and Welland



Cutting table for tenting material at our Woods plant in Toronto.



A large variety of quality towels are produced at our Dunnville mill.

Denim

Walk along any street in Canada and the popularity of denim becomes immediately obvious. While the major use of denim is for jeans, the fashion acceptance of this material finds it in skirts, jackets, vests — and the list grows yearly.

Wabasso is a leading producer of indigo denims. We make 100% cotton and polyester/cotton denims of various weights and weaves.

Our customers include the key denim garment manufacturers across Canada. Wabasso manufactures this fashionable fabric at mills in Trois-Rivières, Québec and Welland, Ontario.

Yarns

Wabasso quality can be found in a great variety of other fabrics and finished products. We supply yarns for Canada's knitting industry which manufactures such items as outerwear, underwear, athletic wear, socks, babies' sleepwear and lingerie.

Seven days a week, our Shawinigan, Québec mill, part of the St. Maurice Group, turns out top quality yarn of 100% cotton and polyester/cotton blends.

Woods — Great as "All Outdoors"

Tuned right into Canadians' love of the outdoors and the growing leisure market, our subsidiary "Woods" holds the enviable position of being the largest Canadian manufacturer of tents, down-filled and polyester-filled sleeping bags and a variety of canvas products. The Corporation markets a large variety of outerwear for sportsmen and campers through retail chain stores and sporting goods outlets right across Canada and in some U.S. markets.

The Woods organization employs a total of 220 people, and it's main office is located in Toronto.

Strength in Diversity

The variety of Wabasso products grow yearly. We consistently research opportunities for new avenues of growth and regularly explore new marketing and promotional initiatives.

Wabasso recognizes the need to maintain a progressive posture and to aggressively pursue ever greater diversity of products. We remain dedicated to these key objectives.

One of dozens of fashion designs in the Wabasso quality line of colourful towels manufactured in Dunnville.



Wabasso bed linen stylings are marketed in a wide range of patterns and colours for every consumer's taste. Sheets and a full line of accessories are manufactured in Trois-Rivières.



FINANCIAL REVIEW

Sales

Record sales of \$117.1 million were attained in 1980 representing an 18.8% increase over sales of \$98.5 million in 1979 and 47.5% over the 1978 level of \$79.4 million. These gains resulted from aggressive marketing programs and favorable consumer acceptance and also reflect inflationary price increases. The prior years' sales levels were exceeded in each quarter, as follows:

	1980	1979
	(in thousands)	
First quarter	\$ 26,236	\$ 21,815
Second quarter	28,938	25,036
Third quarter	26,505	22,064
Fourth quarter	35,432	29,632
Total	<u>\$ 117,111</u>	<u>\$ 98,547</u>

Earnings

Net earnings in 1980 of \$3.0 million or \$7.58 per share (before an extraordinary item of \$1.0 million), compared to 1979 earnings of \$2.1 million or \$5.24 per share, an increase of 44.8%. The improved results reflect the sales gains as well as a higher level of activity in all mills. Strong efforts were exerted to offset inflationary cost increases and higher borrowing costs through cost control programs and price recovery where possible. Prior years' earnings were exceeded in each quarter, as follows:

	1980		1979	
	(in thousands and \$ per share)			
First quarter	\$ 502	\$ 1.26	\$ 35	\$ 0.09
Second quarter	623	1.57	495	1.25
Third quarter	607	1.53	383	0.96
Fourth quarter	1,280	3.22	1,167	2.94
	\$ 3,012	\$ 7.58	\$ 2,080	\$ 5.24
Extraordinary item	1,050	2.65	—	—
Total	\$ 4,062	\$ 10.23	\$ 2,080	\$ 5.24

Working Capital

Working capital totalled \$14.5 million at year end, an increase of \$3.8 million from the prior year. The current ratio is 1.32:1 compared to 1.29:1 in 1979.

Receivables and inventories increased as a result of the higher levels of sales and manufacturing activity. In addition, higher raw cotton prices increased inventory values. Much of the combined increase of \$12.0 million was met by funds generated from operations. Short term borrowing increased by \$5.6 million. Operating lines of credit were not fully utilized at year end. An asset management program has targeted improvements in inventory turnover and collection cycles during 1981.

Capital Expenditures/Long Term Debt

Capital expenditures during the year totalled \$3.0 million, financed in part by notes payable. The balance of the funds required for capital expenditures were provided from operations.

After the close of the year, the Corporation completed negotiations with its bankers for term loans of \$6.0 million, for the purpose of financing new machinery and equipment included in the Corporation's expansion programs.

CONSOLIDATED STATEMENT OF EARNINGS

Year ended December 31, 1980
with comparative figures for 1979

(in thousand of dollars,
except per share data)

	1980	1979
Sales	\$ 117,111	\$ 98,547
Manufacturing, selling and administrative costs	107,117	91,099
Operating income	9,994	7,448
Interest on long-term debt	(591)	(664)
Other interest	(4,710)	(3,906)
Income before income taxes and extraordinary item	4,693	2,878
Income taxes	1,681	798
Income before extraordinary item	3,012	2,080
Realization of tax benefits related to Wabasso (Europe) B.V. (note 5)	1,050	—
Net earnings	\$ 4,062	\$ 2,080
Earnings per share before extraordinary item	\$ 7.58	\$ 5.24
Extraordinary item	2.65	—
Net earnings per share	\$ 10.23	\$ 5.24

CONSOLIDATED STATEMENT OF RETAINED EARNINGS

Year ended December 31, 1980
with comparative figures for 1979

(in thousand of dollars)

	1980	1979
Retained earnings at beginning of year	\$ 8,793	\$ 6,713
Net earnings for the year	4,062	2,080
	12,855	8,793
Dividends (\$0.45 per share in 1980)	179	—
Retained earnings at end of the year	\$ 12,676	\$ 8,793

See accompanying notes to consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN FINANCIAL POSITION

Year ended December 31, 1980
with comparative figures for 1979

(in thousands of dollars)

	<u>1980</u>	<u>1979</u>
Source of working capital:		
Net earnings before extraordinary item	\$ 3,012	\$ 2,080
Depreciation	2,216	1,990
Deferred income taxes	<u>611</u>	<u>1,032</u>
Working capital derived from operations	5,839	5,102
Extraordinary item	1,050	—
Long-term debt	<u>1,225</u>	<u>—</u>
	<u>8,114</u>	<u>5,102</u>
Use of working capital:		
Additions to property, plant and equipment	2,999	443
Reduction of long-term debt	1,136	752
Dividends	<u>179</u>	<u>—</u>
	<u>4,314</u>	<u>1,195</u>
Increase in working capital	3,800	3,907
Working capital at beginning of year	<u>10,670</u>	<u>6,763</u>
Working capital at end of year	<u>\$ 14,470</u>	<u>\$ 10,670</u>
Working capital changes — increase (decrease):		
Accounts receivable	\$ 4,538	\$ 1,892
Inventories	7,527	2,237
Other current assets	113	(365)
Bank indebtedness	(5,568)	(416)
Accounts payable and accrued liabilities	(2,670)	285
Other current liabilities	<u>(140)</u>	<u>274</u>
	<u>\$ 3,800</u>	<u>\$ 3,907</u>

See accompanying notes to consolidated financial statements.

CONSOLIDATED BALANCE SHEET

December 31, 1980

with comparative figures for 1979

(in thousand of dollars)

ASSETS

	<u>1980</u>	<u>1979</u>
Current assets:		
Cash	\$ 72	\$ 43
Accounts receivable	21,072	16,534
Income taxes recoverable	—	36
Inventories (note 2)	38,303	30,776
Prepaid expenses	<u>520</u>	<u>400</u>
Total current assets	59,967	47,789
Property, plant and equipment (note 3)	<u>17,811</u>	<u>17,028</u>
	<u>\$ 77,778</u>	<u>\$ 64,817</u>

LIABILITIES AND SHAREHOLDERS' EQUITY

(in thousand of dollars)

Current liabilities:	1980	1979
Bank indebtedness (note 4)	\$ 34,210	\$ 28,642
Accounts payable and accrued liabilities	9,298	6,628
Long-term debt due within one year	889	749
Provision for loss on Wabasso (Europe) B.V. (note 5)	1,100	1,100
Total current liabilities	45,497	37,119
Long-term debt (note 6)	6,669	6,580
Deferred income taxes	936	325
Shareholders' equity:		
Capital stock:		
Issued 397,173 common shares	10,000	10,000
Reserves	2,000	2,000
Retained earnings	12,676	8,793
Total shareholders' equity	24,676	20,793
	<u>\$ 77,778</u>	<u>\$ 64,817</u>

On behalf of the Board:
H. Roy Crabtree, Director
R.V. Hicks, Director

See accompanying notes to consolidated financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 1980

(tables in thousands of dollars)

The Corporation is incorporated under the Canada Business Corporations Act and carries on the business of textile manufacturing.

The accompanying financial statements are prepared on the historical cost basis in accordance with accounting principles generally accepted in Canada and conform in all material respects to International Accounting Standards.

(1) Summary of accounting policies:

Consolidation:

These financial statements include the assets and liabilities and results of operations of all subsidiary companies.

Foreign exchange:

Current assets and liabilities in foreign currencies are translated into Canadian dollars at the year-end rates of exchange and the remaining assets and liabilities at appropriate historical rates. Revenues and expenses are translated at average exchange rates for the year with the exception of depreciation which is based on the historical rates used for the related assets.

Gains and losses resulting from translation are included in income.

Inventories:

Inventories are valued at the lower of cost, replacement cost and net realizable value.

Property, plant and equipment:

Land, buildings, machinery and equipment are recorded at cost and include expenditures which substantially extend their useful lives. Maintenance, repairs and minor renewals are expensed as incurred. Depreciation is provided on assets purchased prior to January 1, 1972 on the diminishing balance method and on assets purchased after January 1, 1972 on the straight-line method. Depreciation rates are based on estimated useful lives as follows: buildings — forty years; machinery and equipment — ten years.

Pension plans:

The Corporation has contributory pension plans, the costs of which are absorbed in the period in which the service giving rise to pension entitlement is rendered. Pension payments made to retired employees not covered by pension plans are charged to operations when paid.

(2) Inventories:

	1980	1979
Raw materials and supplies	\$ 12,165	\$ 11,722
Work in process	11,862	9,251
Finished goods	14,276	9,803
	<u>\$ 38,303</u>	<u>\$ 30,776</u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(3) Property, plant and equipment:

	1980			1979
	Cost	Accumulated depreciation	Net	Net
Land	\$ 880	\$ —	\$ 880	\$ 880
Buildings	17,910	9,132	8,778	9,086
Machinery and equipment	36,399	28,246	8,153	7,062
	<u>\$ 55,189</u>	<u>\$ 37,378</u>	<u>\$ 17,811</u>	<u>\$ 17,028</u>

(4) Bank indebtedness:

Bank indebtedness is secured by assignment of accounts receivable and inventories.

(5) Income taxes and extraordinary item:

During the year, proceedings to wind-up Wabasso (Europe) B.V. were substantially completed and the Corporation has realized income tax benefits amounting to \$1,050,000 in respect of non-capital losses written off in a previous year.

The Corporation has also realized net capital losses aggregating approximately \$700,000 as a result of the wind-up which will be available to apply against future taxable capital gains.

The Corporation anticipates that its remaining obligation resulting from the wind-up will be discharged in the coming year.

(6) Long-term debt:

	1980	1979
Series "A" 8½ % debentures	\$ 6,500	\$ 7,000
10¼ % notes payable maturing up to 1983 (25,261,000 Belgian francs)	976	—
Mortgages	82	84
9½ % notes payable matured in 1980	—	245
	<u>7,558</u>	<u>7,329</u>
Portion included in current liabilities	889	749
	<u>\$ 6,669</u>	<u>\$ 6,580</u>

The series "A" debentures mature December 28, 1987 and are secured by a floating charge on all the assets of Wabasso Inc. The sinking fund requires instalments of \$250,000 semi-annually. The Corporation may redeem outstanding debentures for sinking fund purposes in addition to the semi-annual payments. Approximate repayment schedule of long-term debt referred to above is as follows:

1981 —	\$ 889
1982 —	716
1983 —	507
1984 —	507
1985 —	506

The Corporation has entered into bank term loan agreements which will become effective in 1981. Both these agreements and the trust indenture relating to the Series "A" debentures contain the usual covenants, under the most restrictive of which the Corporation would have been precluded at December 31, 1980 from paying dividends in excess of approximately \$3,000,000.

(7) Commitments:

At December 31, 1980 the Corporation had commitments for fixed asset additions amounting to approximately \$3,000,000.

AUDITOR'S REPORT

To the Shareholders of Wabasso Inc.

We have examined the consolidated balance sheet of Wabasso Inc. as at December 31, 1980 and the consolidated statements of earnings, retained earnings and changes in financial position for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these consolidated financial statements present fairly the financial position of the Corporation as at December 31, 1980 and the results of its operations and the changes in its financial position for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

The figures for 1979, included for comparative purposes, are based on the financial statements for that year which were reported upon by other chartered accountants.

Montreal, Canada
February 16, 1981

Peat, Marwick, Mitchell & Cie

Chartered Accountants

10 YEAR REVIEW

Results for the year ended Dec. 31 (in millions of dollars)	1980	1979	1978	1977	1976	1975	1974	1973	1972	1971
OPERATING DATA										
Sales	117.1	98.5	79.4	70.0	78.8	56.4	63.2	48.4	49.5	44.1
Operating income before interest	10.0	7.5	0.7	(0.5)	5.3	1.1	4.8	4.9	1.9	1.8
Interest	5.3	4.6	3.0	2.4	2.7	1.0	2.4	1.9	1.1	0.7
Income before income taxes	4.7	2.9	(2.3)	(2.9)	2.6	(0.9)	2.4	3.0	0.8	1.1
Income taxes	1.7	0.8	(1.2)	(1.5)	1.2	(0.4)	1.0	1.4	0.4	0.5
Other items, net	1.0	—	(2.4)	(1.2)	—	—	6.4*	—	(0.6)	0.1
Net earnings	4.1	2.1	(3.5)	(2.6)	1.4	(0.5)	7.8	1.6	(0.2)	0.7
Funds generated from operations	5.8	5.1	—	—	4.4	1.0	3.7	4.0	0.9	2.3
Additions to fixed assets	3.0	0.4	0.7	2.5	2.3	3.2	6.4	3.1	3.3	3.6
Depreciation	2.2	2.0	1.8	2.0	1.9	1.6	1.5	1.3	1.5	1.3
YEAR-END										
(in millions of dollars)										
Working capital	14.5	10.7	6.8	10.9	15.4	13.4	16.4	12.6	11.5	8.9
Property, plant and equipment at cost	55.2	52.3	52.2	52.6	51.3	50.0	46.8	40.8	40.9	38.2
Total assets	77.8	64.8	63.3	61.6	65.2	59.4	47.8	45.1	39.1	35.1
Long term debt	6.7	6.6	8.4	9.8	9.1	9.3	10.1	10.9	11.3	6.9
Shareholders' equity	24.7	20.8	18.7	22.2	24.8	23.5	24.1	16.6	15.0	15.4
PER COMMON SHARE										
(in dollars)										
Net earnings	10.23	5.24	(8.70)	(6.52)	3.61	(1.24)	19.72	3.96	(0.50)	1.79
Funds generated	14.71	12.84	—	—	11.01	2.47	9.44	10.10	2.29	5.82
Dividends	0.45	—	—	0.15	0.30	0.30	0.80	—	0.30	—
Book value	62.13	52.37	47.10	55.92	62.46	59.19	60.70	41.81	37.78	38.79
Market value—High	20.00	13.60	11.00	13.00	14.00	16.00	16.00	12.50	19.00	20.00
—Low	13.00	8.30	8.30	8.00	10.25	10.50	8.50	8.63	10.00	11.00
MISCELLANEOUS STATISTICS										
Working capital ratio	1.3	1.3	1.2	1.4	1.5	1.5	2.3	1.7	1.9	1.6
Operating income before interest as a percentage of sales	8.5	7.6	0.9	(0.8)	6.8	1.9	7.7	10.1	4.0	4.0
Net income as a percentage of sales	3.5	2.1	(4.4)	(3.6)	1.8	(0.9)	19.7	3.3	(0.4)	1.5
Average number of common shares outstanding (in thousands)	397	397	397	397	397	397	397	397	397	397
Number of employees at year end	3,105	2,934	2,649	2,842	2,953	3,250	2,996	3,169	3,150	3,150

* Includes \$6.3 millions excess of fire insurance proceeds over net book value of property destroyed.

DIRECTORS

W.R. Clerihue
H. Roy Crabtree
Harold R. Crabtree
Louis Hébert
R.V. Hicks
D.C. Lowe
A.L. Penhale
André Piché
L.E. Ricard
Jacques Tétrault

HONORARY DIRECTORS

C.S. Cox
J.E.L. Duquet
B.S. Saunders
Edward C. Wood

COMMITTEES OF THE BOARD OF DIRECTORS

Audit Committee

Louis Hébert
R.V. Hicks
L.E. Ricard

Executive Committee

W.R. Clerihue
H. Roy Crabtree
Harold R. Crabtree
Louis Hébert
R.V. Hicks
L.E. Ricard

OFFICERS

H. Roy Crabtree
Chairman of the Board and President
J.H. Birkett
Vice-President, Administration and Secretary
R.L. Cooney
Vice-President, Manufacturing
R.B. Hoyland
Vice-President, Treasurer and Controller
W.R. Sewell
Vice-President, Merchandising
J.E. Smith
Vice-President, Finance

OPERATING SUBSIDIARIES

Francis & Company, Inc.
— Memphis, Tennessee, U.S.A.
Woods Bag & Canvas Co. Ltd.
— Toronto, Ont.
— Ogdensburg, N.Y., U.S.A.

BANKERS

Bank of Montreal
National Bank of Canada

AUDITORS

Peat, Marwick, Mitchell & Cie

TRANSFER AGENT

Montreal Trust Company

REGISTRAR

The Royal Trust Company

EXECUTIVE OFFICE

1825 Graham Blvd.
Montreal, Que. H3R 1H2

MILLS

Trois-Rivières, Que.
Shawinigan, Que.
Welland, Ont.
Dunnville, Ont.